

CITY-COUNTY FISCAL ORDINANCE NO. , 2008

A FISCAL ORDINANCE adopting the operating and maintenance budgets and tax levies of the Health and Hospital Corporation of Marion County, Indiana, and establishing the appropriations for the purpose of defraying the expenses and all outstanding claims and obligations of the said Municipal Corporation for the fiscal year beginning January 1, 2009, and ending December 31, 2009, and fixing a time when this resolution shall take effect.

WHEREAS, IC 36-3-6-9 empowers the City-County Council to review the operating and maintenance budgets and tax levies of the Health and Hospital Corporation of Marion County, established pursuant to IC 16-22-8; and,

WHEREAS, the City-County Council has reviewed said budget and tax levies and has determined that the same should be modified and adopted as stated herein; now, therefore:

BE IT RESOLVED BY THE CITY-COUNTY COUNCIL OF THE
CITY OF INDIANAPOLIS AND OF MARION COUNTY, INDIANA:

HEALTH AND HOSPITAL CORPORATION
BUDGET FOR 2009

SECTION 1. The operating and maintenance budgets and tax levies for the expenses of the Health and Hospital Corporation of Marion County, Indiana, and its departments, division, and officials, for the fiscal year beginning January 1, 2009, and ending December 31, 2009, is hereby adopted so that only the following sums of money are approved and appropriated out of the funds herein named and for the purposes herein specified subject to the laws governing the same. Such sums herein appropriated shall be held to include all expenditures authorized to be made during the year.

SECTION 2. For said fiscal year there is hereby appropriated out of the "General Fund" of said Health and Hospital Corporation the sums as hereinafter appear in this section for the purposes herein named.

HEALTH AND HOSPITAL GENERAL FUND		
	ORIGINAL PUBLISHED BUDGET APPROPRIATION	BUDGET APPROVED BY CITY-COUNTY COUNCIL
1. Personal Services	46,350,000	
2. Supplies	4,147,000	
3. Other Services and Charges	225,415,000	
4. Capital Outlay	6,326,000	
TOTAL	282,238,000	

SECTION 3. For said fiscal year, there is hereby appropriated out of the "Bond Retirement Fund" the following:

HEALTH AND HOSPITAL BOND RETIREMENT FUND		
	ORIGINAL PUBLISHED BUDGET APPROPRIATION	BUDGET APPROVED BY CITY-COUNTY COUNCIL
3. Other Services and Charges	4,356,980	
TOTAL	4,356,980	

SECTION 4. For said fiscal year, there is hereby appropriated out of the "Cumulative Building Fund" the following:

HEALTH AND HOSPITAL CUMULATIVE BUILDING FUND		
	ORIGINAL PUBLISHED BUDGET APPROPRIATION	BUDGET APPROVED BY CITY-COUNTY COUNCIL
4. Capital Outlay	0	
TOTAL	0	

SECTION 5. That foregoing budget shall be carried out without any revenues from property taxation provided from the several tax levies as modified and fixed in City-County Fiscal Ordinance No. 115, 2008 with

the use of portions of current balances in said funds and the receipts of miscellaneous revenues from all other sources, the means of financing thereof be computed in accordance with the following schedules:

CONSOLIDATED CITY OF INDIANAPOLIS AND MARION COUNTY ESTIMATE OF MISCELLANEOUS REVENUE FROM SOURCES OTHER THAN GENERAL PROPERTY TAXES HEALTH AND HOSPITAL GENERAL FUND FOR THE PERIOD ENDING DECEMBER 31, 2008 AND DECEMBER 31, 2009		
ESTIMATED AMOUNTS TO BE RECEIVED	July 01, 2008 through Dec. 31, 2008	Jan. 01, 2009 through Dec. 31, 2009
SPECIAL TAXES		
Financial Institution Tax	1,200,000	1,200,000
License Excise Tax	7,200,000	7,200,000
Local Income Tax	1,860,710	0
ALL OTHER REVENUE		
Intergovernmental Receipts	24,028,000	138,600,000
Mental Health Tax	1,200,000	1,200,000
Miscellaneous Receipts	7,435,307	14,600,000
Operating Transfers-In	0	0
Grant Receipts	8,778,738	16,528,000
Interest Income	1,900,000	3,800,000
TOTAL	53,602,755	183,128,000

CONSOLIDATED CITY OF INDIANAPOLIS AND MARION COUNTY ESTIMATE OF MISCELLANEOUS REVENUE FROM SOURCES OTHER THAN GENERAL PROPERTY TAXES HEALTH AND HOSPITAL BOND RETIREMENT FUND FOR THE PERIOD ENDING DECEMBER 31, 2008 AND DECEMBER 31, 2009		
ESTIMATED AMOUNTS TO BE RECEIVED	July 01, 2008 through Dec. 31, 2008	Jan. 01, 2009 through Dec. 31, 2009
SPECIAL TAXES		
Financial Institution Tax	60,000	60,000
License Excise Tax	325,000	325,000
ALL OTHER REVENUE		
Interest Income	500	1,000
TOTAL	385,500	386,000

CONSOLIDATED CITY OF INDIANAPOLIS AND MARION COUNTY ESTIMATE OF MISCELLANEOUS REVENUE FROM SOURCES OTHER THAN GENERAL PROPERTY TAXES HEALTH AND HOSPITAL CUMULATIVE BUILDING FUND FOR THE PERIOD ENDING DECEMBER 31, 2008 AND DECEMBER 31, 2009		
ESTIMATED AMOUNTS TO BE RECEIVED	July 01, 2008 through Dec. 31, 2008	Jan. 01, 2009 through Dec. 31, 2009
SPECIAL TAXES		
Financial Institution Tax	3,300	3,300
Excise Tax	20,600	20,600
ALL OTHER REVENUE		
Intergovernmental Receipts	40,000,000	0
Interest Income	350,000	1,800,000
TOTAL	40,373,900	1,823,900

ESTIMATE OF FUNDS TO BE RAISED AND PROPOSED TAX RATES HEALTH AND HOSPITAL GENERAL FUND		
2009 NET ASSESSED VALUATION	33,561,295,936	
2008 BILLED NET ASSESSED VALUATION	44,748,394,581	
	PUBLISHED BUDGET	CITY-COUNTY COUNCIL
FUNDS REQUIRED FOR REMAINDER OF FISCAL YEAR 2008		
1. June 30 actual cash balance of present year	178,713,141	
2. Necessary expenditures, July 1 to December 31 of present year, to be made from appropriation unexpended	152,587,959	
3. Additional appropriations necessary to be made July 1 to December 31 of present year	0	
4. Outstanding temporary loans to be paid and not included in lines 2 or 3		
5. Total expenditures for current year (add lines 2-4)	152,587,959	
6. Remaining property taxes to be collected present year	85,158,779	
7. Miscellaneous revenue to be received July 1 through Dec. 31 of present year	53,602,755	
8. Estimated revenue to be received July 1 to December 31 (add lines 6-7)	138,761,534	
9. Estimated December 31 cash balance, present year (add lines 1, 8 and subtract line 5)	164,886 716	
10. Total budget estimate for January 1 to December 31 of incoming year	282,238,000	
11. Miscellaneous revenue for January 1 to December 31 of incoming year	183,128,000	
12. Property tax to be raised from January 1 to December 31 of incoming year	103,993,668	
13. Operating balance (not in excess of expenses January 1 to June 30, miscellaneous revenue for same period)	169,770,384	
14. Estimated December 31 cash balance, of incoming year	169,770,384	
Net tax rate on each one hundred dollars of taxable property		
Current year tax rate	.2352	
Proposed tax rate for incoming year	.4000	

ESTIMATE OF FUNDS TO BE RAISED AND PROPOSED TAX RATES HEALTH AND HOSPITAL BOND RETIREMENT FUND		
2009 NET ASSESSED VALUATION	33,561,295,936	
2008 BILLED NET ASSESSED VALUATION	44,748,394,581	
	PUBLISHED BUDGET	CITY-COUNTY COUNCIL
FUNDS REQUIRED FOR REMAINDER OF FISCAL YEAR 2008		
1. June 30 actual cash balance of present year	32,408	
2. Necessary expenditures, July 1 to December 31 of present year, to be made from appropriation unexpended	4,351,611	
3. Additional appropriations necessary to be made July 1 to December 31 of present year	32,675	
4. Outstanding temporary loans to be paid and not included in lines 2 or 3	0	
5. Total expenditures for current year (add lines 2-4)	4,351,611	
6. Remaining property taxes to be collected present year	3,715,942	
7. Miscellaneous revenue to be received July 1 through Dec. 31 of present year	385,500	
8. Estimated revenue to be received July 1 to December 31 (add lines 6-7)	4,101,442	
9. Estimated December 31 cash balance, present year (add lines 1, 8 and subtract line 5)	(217,761)	
10. Total budget estimate for January 1 to December 31 of incoming year	4,356,980	
11. Miscellaneous revenue for January 1 to December 31 of incoming year	386,000	
12. Property tax to be raised from January 1 to December 31 of incoming year	4,221,416	
13. Operating balance (not in excess of expenses January 1 to June 30, miscellaneous revenue for same period)	0	
14. Estimated December 31 cash balance, of incoming year	0	
Net tax rate on each one hundred dollars of taxable property		
Current year tax rate	.0087	
Proposed tax rate for incoming year	.0126	

ESTIMATE OF FUNDS TO BE RAISED AND PROPOSED TAX RATES HEALTH AND HOSPITAL CUMULATIVE BUILDING FUND		
2009 NET ASSESSED VALUATION	33,561,295,936	
2008 BILLED NET ASSESSED VALUATION	44,748,394,581	
	PUBLISHED BUDGET	CITY-COUNTY COUNCIL
FUNDS REQUIRED FOR REMAINDER OF FISCAL YEAR 2008		
1. June 30 actual cash balance of present year	43,533,898	
2. Necessary expenditures, July 1 to December 31 of present year, to be made from appropriation unexpended	0	
3. Additional appropriations necessary to be made July 1 to December 31 of present year		
4. Outstanding temporary loans to be paid and not included in lines 2 or 3		
5. Total expenditures for current year (add lines 2-4)		
6. Remaining property taxes to be collected present year	256,602	
7. Miscellaneous revenue to be received July 1 through Dec. 31 of present year	40,373,900	
8. Estimated revenue to be received July 1 to December 31 (add lines 6-7)	40,630 502	
9. Estimated December 31 cash balance, present year (add lines 1, 8 and subtract line 5)	84,164,400	
10. Total budget estimate for January 1 to December 31 of incoming year	0	
11. Miscellaneous revenue for January 1 to December 31 of incoming year	1,823,900	
12. Property tax to be raised from January 1 to December 31 of incoming year	201,368	
13. Operating balance (not in excess of expenses January 1 to June 30, miscellaneous revenue for same period)	86,189,668	
14. Estimated December 31 cash balance, of incoming year	86,189,668	
Net tax rate on each one hundred dollars of taxable property		
Current year tax rate	.0006	
Proposed tax rate for incoming year	.0006	

SECTION 6. Summary

SUMMARIES OF APPROPRIATIONS, MISCELLANEOUS REVENUE, TAX LEVIES, NET ASSESSED VALUE AND TAX RATE					
Fund	Appropriation	Miscellaneous Revenue	Tax Levy	Net Assessed Value	Tax Rate
Health & Hospital General	282,238,000	183,128,000	103,993,668	33,561,295,936	.4000
Health & Hospital Bond Retirement	4,356,980	386,000	4,221,416	33,561,295,936	.0126
Health & Hospital Cumulative Building	0	1,823,900	201,368	33,561,295,936	.0006
Total	286,594,980	185,337,900	108,416,452		.4132

SECTION 8. This resolution shall be in full force and effect beginning January 1, 2009, after passage by the City-County Council and approval by the State Tax Board as required by law.

THE HEALTH AND HOSPITAL CORPORATION
OF MARION COUNTY, INDIANA

BOARD OF TRUSTEES

GENERAL ORDINANCE NO. 2A-2008

AN ORDINANCE establishing the annual budget of The Health and Hospital Corporation of Marion County, Indiana, for the fiscal year beginning January 1, 2009, and ending December 31, 2009, appropriating monies for the purpose of defraying the expenses and all outstanding claims and obligations of the several departments and officials of the corporation government; and fixing and establishing the annual rate of taxation and tax levy for the year 2009, for each fund for which a special tax levy is authorized.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE HEALTH AND HOSPITAL CORPORATION OF MARION COUNTY, INDIANA, AS FOLLOWS:

SECTION 1. That for the expenses of the corporation government and its institutions and departments for the fiscal year beginning January 1, 2009, and ending December 31, 2009, the following sums of money are hereby appropriated out of the fund herein named and for the purposes herein specified, subject to the laws governing the same. Such sums herein appropriated shall be held to include all expenditures authorized to be made during the year, unless otherwise expressly stipulated and provided by law.

SECTION 2. That for the fiscal year there is hereby appropriated the sums as hereinafter appear in this section for the purposes herein named:

THE HEALTH AND HOSPITAL CORPORATION
OF MARION COUNTY, INDIANA

GENERAL FUND

1.	Personal Services	\$ 46,350,000
2.	Supplies	4,147,000
3.	Other Services and Charges	225,415,000
4.	Capital Outlay	<u>6,326,000</u>
TOTAL GENERAL FUND		\$ 282,238,000

BOND RETIREMENT FUND

3.	Other Services and Charges	<u>\$ 4,356,980</u>
	TOTAL BOND RETIREMENT FUND	<u>\$ 4,356,980</u>

CUMULATIVE BUILDING FUND

4.	Capital Outlay	<u>\$0</u>
	TOTAL CUMULATIVE BUILDING FUND	<u>\$0</u>

SECTION 3. That the Auditor of Marion County, Indiana, be, and is hereby, ordered and directed to place tax levies upon the property tax duplicates, and the County Treasurer of such County, be, and is hereby, ordered and directed to collect the same for The Health and Hospital Corporation of Marion County, Indiana, and the departments of the Corporation, make due report thereof, and remit same to the Treasurer of the Corporation, as provided by law.

SECTION 4. That there is hereby levied and assessed or confirmed as may be required by law on all real estate and improvements and all personal property of whatever description, notes, bonds, stocks, and choses in action of every kind and character in Marion County, as assessed and returned for taxation in said County for the year 2008, and payable in the year 2009, a tax rate of forty and zero one-hundredths cents (\$0.4000) for the General Fund purposes on each One Hundred Dollars (\$100.00) valuation of such taxable property; and one and twenty-six hundredths cents (\$0.0126) for the Bond Retirement Fund on each One-Hundred Dollars (\$100.00) valuation of such taxable property; and six hundredths cents (\$0.0006) for the Cumulative Building Fund on each One-Hundred Dollars (\$100.00) valuation of such taxable property; all of which levies are duly authorized by specific laws.

SECTION 5. That the budget of said Corporation and the expenditures from all funds of the Corporation shall be carried out with the revenues from taxation provided from the tax levies fixed in Section 4 of this Ordinance, and by the levies certified to by the authorities of the taxing district of said Corporation and miscellaneous receipts of said funds and with the use of portions of current balances, all as indicated in the following tables:

THE HEALTH AND HOSPITAL CORPORATION OF MARION COUNTY, INDIANA
ESTIMATE OF MISCELLANEOUS REVENUE
 FROM SOURCES OTHER THAN GENERAL PROPERTY TAXES

GENERAL FUND

	<u>2008</u>	<u>2009</u>
	<u>JUL-DEC</u>	
<u>Special Taxes</u>		
001 Financial Institutions Tax	1,200,000	1,200,000
002 Vehicle License Excise Tax	7,200,000	7,200,000
003 Local Income Tax	1,860,710	-
 <u>All Other Revenues</u>		
Intergovernmental Receipts	24,028,000	138,600,000
Other Taxes - Mental Health	1,200,000	1,200,000
County Health Department	3,030,307	7,000,000
Admin Miscellaneous	4,405,000	7,600,000
Grant Receipts	8,778,738	16,528,000
Interest Income	1,900,000	3,800,000
GENERAL FUND		
TOTAL MISCELLANEOUS REVENUES	<u><u>53,602,755</u></u>	<u><u>183,128,000</u></u>

BOND RETIREMENT FUND

	<u>2008</u>	<u>2009</u>
	<u>JUL-DEC</u>	
<u>Special Taxes</u>		
001 Financial Institutions Tax	60,000	60,000
002 Vehicle License Excise Tax	325,000	325,000
<u>All Other Revenues</u>		
Interest Income	500	1,000
TOTAL BOND FUND MISC REVENUES	<u><u>385,500</u></u>	<u><u>386,000</u></u>

CUMULATIVE BUILDING FUND

	<u>2008</u>	<u>2009</u>
	<u>JUL-DEC</u>	
<u>Special Taxes</u>		
001 Financial Institutions Tax	3,300	3,300
002 Vehicle License Excise Tax	20,600	20,600
<u>All Other Revenues</u>		
Misc Non-Tax Revenues	40,000,000	-
Interest Income	350,000	1,800,000
TOTAL CUMULATIVE BLDG FUND		
MISCELLANEOUS REVENUES	<u><u>40,373,900</u></u>	<u><u>1,823,900</u></u>

BUDGET ESTIMATE OF FUNDS TO BE RAISED AND PROPOSED TAX RATES
THE HEALTH AND HOSPITAL CORPORATION OF MARION COUNTY, INDIANA

GENERAL FUND

2009 - BUDGET YEAR

NET ASSESSED VALUATION = 33,561,295,936

FUNDS REQUIRED FOR EXPENSES TO DECEMBER 31st
OF INCOMING YEAR:

line		
1	Total budget for Incoming year	282,238,000
2	Necessary Expenditures, July 1 to Dec 31 of present year (To Be Made From Approp. Unexpended)	152,587,959
3	Additional approp necessary to be made July 1 -- Dec 31 of present year	-
4	Outstanding temporary loans to be paid not included in lines 2 and 3 above	-
5	Total funds required (add lines 1-4)	<u>434,825,959</u>

FUNDS ON HAND AND TO BE RECEIVED FROM SOURCES
OTHER THAN PROPOSED TAX LEVY

6	Actual balance, June 30 of present year	178,713,141
7	Taxes to be collected, present year (Dec.)	85,158,779
8	Miscellaneous revenue to be received July 1 of present year to Dec. 31 of incoming year:	
	a. total July 1 to Dec. 31 of present year	53,602,755
	b. total Jan. 1 to Dec. 31 of incoming year	<u>183,128,000</u>
9	Total Funds (add lines 6, 7, 8a, 8b)	500,602,675
10	Net amount to be raised for expenses to Dec. 31 of incoming year (deduct line 9 from line 5)	(65,776,716)
11	Operating balance (not in excess of expense Jan 1 to June 30, less misc. revenue for same period.)	169,770,384
12	Amount to be raised by tax levy (add lines 10 and 11)	103,993,668
13	Property Tax Replacement Credit from Local Option Tax	-
14	NET AMOUNT TO BE RAISED BY TAX LEVY (deduct line 13 from line 12)	103,993,668
15	Levy Excess Fund Applied to Current Budget	<u>-</u>
16	NET AMOUNT TO BE RAISED	103,993,668
17	TAX RATE	0.4000

BUDGET ESTIMATE OF FUNDS TO BE RAISED AND PROPOSED TAX RATES
THE HEALTH AND HOSPITAL CORPORATION OF MARION COUNTY, INDIANA

BOND RETIREMENT FUND

2009 - BUDGET YEAR

NET ASSESSED VALUATION = 33,561,295,936

FUNDS REQUIRED FOR EXPENSES TO DECEMBER 31st
OF INCOMING YEAR:

line		
1	Total budget for incoming year	4,356,980
2	Necessary Expenditures, July 1 to Dec 31 of present year (To Be Made From Approp. Unexpended)	4,351,611
3	Additional approp necessary to be made July 1 -- Dec 31 of present year	32,675
4	Outstanding temporary loans to be paid not included in lines 2 and 3 above	-
5	Total funds required (add lines 1-4)	<u>8,741,266</u>

FUNDS ON HAND AND TO BE RECEIVED FROM SOURCES
OTHER THAN PROPOSED TAX LEVY

6	Actual balance, June 30 of present year	32,408
7	Taxes to be collected, present year (Dec.)	3,715,942
8	Miscellaneous revenue to be received July 1 of present year to Dec. 31 of incoming year:	
	a. total July 1 to Dec. 31 of present year	385,500
	b. total Jan. 1 to Dec. 31 of incoming year	<u>386,000</u>
9	Total Funds (add lines 6, 7, 8a, 8b)	4,519,850
10	Net amount to be raised for expenses to Dec. 31 of incoming year (deduct line 9 from line 5)	4,221,416
11	Operating balance (not in excess of expense Jan 1 to June 30, less misc. revenue for same period.)	0
12	Amount to be raised by tax levy (add lines 10 and 11)	4,221,416
13	Property Tax Replacement Credit from Local Option Tax	-
14	NET AMOUNT TO BE RAISED BY TAX LEVY (deduct line 13 from line 12)	4,221,416
15	Levy Excess Fund Applied to Current Budget	<u>-</u>
16	NET AMOUNT TO BE RAISED	4,221,416
17	TAX RATE	0.0126

CUMULATIVE BUILDING FUND

FUNDS REQUIRED FOR EXPENSES TO DECEMBER 31st
OF INCOMING YEAR:

line		
1	Total budget for incoming year	-
2	Necessary Expenditures, July 1 to Dec 31 of present year (To Be Made From Approp. Unexpended)	-
3	Additional approp necessary to be made July 1 -- Dec 31 of present year	-
4	Outstanding temporary loans to be paid not included in lines 2 and 3 above	-
5	Total funds required (add lines 1-4)	-

FUNDS ON HAND AND TO BE RECEIVED FROM SOURCES
OTHER THAN PROPOSED TAX LEVY

6	Actual balance, June 30 of present year	43,533,898
7	Taxes to be collected, present year (Dec.)	256,602
8	Miscellaneous revenue to be received July 1 of present year to Dec. 31 of incoming year:	
	a. total July 1 to Dec. 31 of present year	40,373,900
	b. total Jan. 1 to Dec. 31 of incoming year	<u>1,823,900</u>
9	Total Funds (add lines 6, 7, 8a, 8b)	85,988,300
10	Net amount to be raised for expenses to Dec. 31 of incoming year (deduct line 9 from line 5)	(85,988,300)
11	Operating balance (not in excess of expense Jan 1 to June 30, less misc. revenue for same period.)	86,189,668
12	Amount to be raised by tax levy (add lines 10 and 11)	201,368
13	Property Tax Replacement Credit from Local Option Tax	-
14	NET AMOUNT TO BE RAISED BY TAX LEVY (deduct line 13 from line 12)	201,368
15	Levy Excess Fund Applied to Current Budget	<u>-</u>
16	NET AMOUNT TO BE RAISED	201,368
17	TAX RATE	0.0006

SECTION 6. This Ordinance shall be in full force and effect from and after its passage and signatures by the Chairman and attestation by the Secretary of the Board of Trustees, and compliance with all laws pertaining thereto.

PASSED by the Board of Trustees the 19th day of August, 2008, and signed by me this 19th day day of August, 2008.

James D. Miner, M.D.
Chairman
Board of Trustees

ATTEST:

Matthew R. Gutwein
Secretary to the Board of Trustees

STATE OF INDIANA)
)
COUNTY OF MARION) SS:

I, Matthew R. Gutwein, Secretary to the Board of Trustees of The Health and Hospital Corporation of Marion County, Indiana, do hereby certify that the above and foregoing is a full, true and complete record of General Ordinance No. 2A-2008, that said Ordinance was passed by the Board of Trustees by a vote of _____ ayes and _____ noes, on the 19th day of August, 2008, and was signed and approved by the Chairman of the Board of Trustees of The Health and Hospital Corporation of Marion County, Indiana, on the 19th day of August, 2008, and now remains on file and on record in my office.

WITNESS my hand and seal this _____ day of _____, 2008.

Matthew R. Gutwein
Secretary to the Board of Trustees

2009 PROPOSED BUDGET

**THE HEALTH AND HOSPITAL
CORPORATION
OF MARION COUNTY**

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2009 PROPOSED BUDGET

THE HEALTH AND HOSPITAL CORPORATION OF MARION COUNTY

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HEALTH AND HOSPITAL CORPORATION
OF MARION COUNTY

3838 North Rural Street • Indianapolis • Indiana • 46205-2930

TEL 317 221 2000 FAX 317 221 2020

August 1, 2008

Dear Members of the City-County Council:

This book highlights Health and Hospital Corporation of Marion County's (HHC) 2009 proposed budget. The HHC Board of Trustees has held one public hearing and has properly advertised the proposal. The Board will hold two additional hearings before voting on a final budget and levy on August 19, 2008. The City-County Council must also approve the HHC budget and levy. Management will be responsible for implementing detailed budgets to operate within the approved financial constraints.

I have outlined below some notable features of HHC's 2009 proposed budget.

1. The 2009 proposed budget reduces from 2008 the general fund property tax levy by over \$35 million dollars. The 2009 proposed general property tax levy is \$54.6 million; the 2008 advertised general fund property tax levy was \$93.5 million. The property tax reduction in this budget was mandated by EA 1001, which was enacted by the 2008 General Assembly and signed by the Governor.
2. The State of Indiana has offset HHC's reduced property taxes by allocating \$40 million of property tax replacement revenue paid from State revenues. The changes described above are reflected on page 4 of this proposed budget.
3. The 2007 City-County Council adopted a local option income tax (LOIT), which provided HHC with an estimated \$3.5 million of income tax revenue in 2008. The LOIT is scheduled to increase to \$6.7 million for HHC in 2009 and is reflected as revenue in this proposed budget.
4. The total HHC property tax for all funds is estimated to be \$59.0 million. HHC's advertised budget and levy reflects a property tax levy of \$108.4 million. The advertised property tax levy includes tax revenues that are not generated by local property taxes. The Indiana Department of Local Government Finance (DLGF) advised HHC to advertise a property tax levy that includes: (1) property taxes (\$59.0 million), (2) income taxes (\$6.7 million), (3) state-funded property tax replacement revenues (\$40 million) and (4) a growth factor (\$2.7 million).

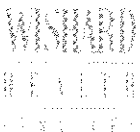
5. HHC estimates that total corporate expenses in 2009 will be greater than \$805 million. Our property tax levy for all funds is \$59.0 million, which equates to 7.3% of our total operating budget. Consequently, HHC relies on other numerous sources of revenue to fund our programs. Many of those funding sources are paid in large lump sums and at irregular intervals.
6. The 2009 budget is designed to break even. To achieve this goal, HHC must continue its efforts to contain costs and enhance non-tax revenues. HHC is experiencing additional pressure on other revenues while inflation and increased services provided by Wishard and MCHD drive costs higher. HHC will rely on grants, service fees and billing improvements to increase revenues and will continue to focus on providing efficient and cost-effective services.
7. The budget proposes that the cost of Wishard's uncompensated healthcare for the uninsured in 2009 will be \$180 million. This is an increase of \$12 million from 2008. Wishard continues to experience dramatic increases in the number of indigent and underserved seeking healthcare and behavior health services. Wishard has been able to contain costs by increasing productivity and efficiency but will have trouble improving either in the future because of the constraints of Wishard's facility.
8. The budget proposes spending for MCHD at levels greater than prior years because of new initiatives to fight obesity in schools, increased efforts to partner with the City to keep our neighborhoods clean and safe, bioterrorism-preparedness efforts and technology improvements. Most of MCHD's increased revenue is from new grants, but some of the increase is funded with local property tax revenue.

We appreciate the opportunity to present this budget to you and look forward to discussing it at our upcoming meetings. If you have any questions prior to that time, please do not hesitate to call me at 317-221-2309.

Sincerely,



Daniel E. Sellers
CFO and Treasurer



**2008 AND 2009 ASSESSED VALUES, TAX LEVIES,
AND TAX RATES**

	<i>advertised</i>	
2008 ASSESSED VALUE	44,748,394,581	
2009 ASSESSED VALUE	33,561,295,936	
PERCENT INCREASE	-25.00%	
EACH PENNY OF THE TAX RATE WILL RAISE IN TAX REVENUES	3,356,130	
<u>TAX LEVIES AND RATES</u>		
<u>GENERAL FUND</u>	RATE	LEVY
2008 ACTUAL	0.2352	93,488,625
2009 PROPOSED	0.4000	103,993,668
Dollar Change	0.1648	10,505,043
<u>BOND RETIREMENT FUND</u>		
2008 ACTUAL	0.0087	3,715,942
2009 PROPOSED	0.0126	4,221,416
Dollar Change	0.0039	505,474
<u>CUMULATIVE BUILDING FUND</u>		
2008 ACTUAL	0.0006	256,602
2009 PROPOSED	0.0006	201,368
Dollar Change	0.0000	(55,234)
<u>ALL FUNDS</u>		
2008 ACTUAL	0.2445	97,461,169
2009 PROPOSED	0.4132	108,416,452
Dollar Change	0.1687	10,955,283

**The Health and Hospital Corporation of Marion County
BUDGET REVENUE AND EXPENDITURE COMPARISON**

	2008 Budget Estimate	2009 PROPOSED BUDGET	% Change from 2008
<u>GENERAL FUND</u>			
<u>Revenues</u>			
Net property tax revenues	86,288,625	54,593,668	-36.73%
License Excise, FIT and MH	9,600,000	9,600,000	0.00%
LOIT Revenue	3,500,000	6,700,000	91.43%
HCI Property Tax Replacement	-	40,000,000	
Net Tax Revenues	99,388,625	110,893,668	11.58%
Intergovernmental Revenue	131,045,367	138,600,000	5.76%
Grant Revenue	16,200,000	16,528,000	2.02%
Misc. Non-Tax Revenue	16,250,000	14,600,000	-10.15%
Interest Income	3,582,929	3,800,000	6.06%
Total Revenues	266,466,921	284,421,668	6.74%
<u>Expenditures</u>			
Personal Services	45,000,000	46,350,000	3.00%
Supplies	4,027,000	4,147,000	2.98%
Other Charges & Svcs	208,803,345	225,415,000	7.96%
Capital Outlays	6,326,000	6,326,000	0.00%
Total Expenses	264,156,345	282,238,000	6.85%
Net Income	2,310,576	2,183,668	
<u>DEBT SERVICE FUND</u>			
<u>Revenues</u>			
Tax Revenues	4,100,942	4,606,416	12.33%
Misc. Non-Tax Revenue	-	-	0.00%
Interest Income	4,000	1,000	-75.00%
Total Revenues	4,104,942	4,607,416	12.24%
<u>Expenditures</u>			
Other Charges & Svcs	4,318,935	4,356,980	0.88%
Net Income	(213,993)	250,436	
<u>CUMULATIVE BUILDING FUND</u>			
<u>Revenues</u>			
Tax Revenues	280,502	225,268	-19.69%
Misc. Non-Tax Revenue	40,000,000	-	-100.00%
Interest Income	350,000	1,800,000	414.29%
Total Revenues	40,630,502	2,025,268	-95.02%
<u>Expenditures</u>			
Capital Outlays	-	-	-
Net Income	40,630,502	2,025,268	

**The Health and Hospital Corporation of Marion County
BUDGET REVENUE AND EXPENDITURE COMPARISON**

	<u>2008 Budget Estimate</u>	<u>2009 PROPOSED BUDGET</u>	<u>% Change from 2008</u>
<u>ENTERPRISE FUND</u>			
Wishard Health Services			
<u>Revenues</u>			
Net Pt Svc Revenue	219,581,000	230,559,000	5.00%
HHC Support Revenue	168,000,000	180,000,000	7.14%
Grant Revenue	10,068,000	12,000,000	19.19%
Non-Patient Revenue	44,464,000	38,962,000	-12.37%
Total Revenues	442,113,000	461,521,000	4.39%
<u>Expenses</u>			
Personal Services	225,009,000	235,134,000	4.50%
Supplies	77,818,000	79,763,000	2.50%
Other Charges & Svcs	114,286,000	121,624,000	6.42%
Depreciation	25,000,000	25,000,000	0.00%
Total Expenses	442,113,000	461,521,000	4.39%
Net Income	0	0	
LT Care Division			
<u>Revenues</u>			
Net Pt Svc Revenue	233,752,000	245,000,000	4.81%
HHC Support Revenue	-	-	0.00%
Non-Patient Revenue	1,400,000	1,100,000	-21.43%
Intergovernmental Revenue	38,400,000	48,000,000	25.00%
Total Revenues	273,552,000	294,100,000	7.51%
<u>Expenses</u>			
Personal Services	97,515,000	94,500,000	-3.09%
Supplies	35,802,000	17,000,000	-52.52%
Other Charges & Svcs	73,645,000	97,390,000	32.24%
Depreciation	26,500,000	32,450,000	22.45%
Transfer to General Fund	40,000,000	52,000,000	30.00%
Total Expenses	273,462,000	293,340,000	7.27%
Net Income	90,000	760,000	

THE HEALTH AND HOSPITAL CORPORATION OF MARION COUNTY

LONG-TERM DEBT --- PRINCIPAL AND INTEREST SCHEDULE

2009 BUDGET YEAR

ISSUE:	Final Pmt. Year	JUNE 30, 2009		DEC. 31, 2009		2009 TOTAL	DEC. 31, 2008 TOTAL
		PRINCIPAL	INTEREST	PRINCIPAL	INTEREST		
1988 BONDS	(2019)	520,000	638,065	540,000	618,825	2,316,890	1,161,750
2005 BONDS	(2024)	385,000	655,858	395,000	604,233	2,040,090	1,000,508
TOTALS		905,000	1,293,923	935,000	1,223,058		
2009 BUDGET - Line 1 of seventeen line statement							4,356,980
2009 BUDGET - Line 2 of seventeen line statement							2,162,258

**The Health and Hospital Corporation of Marion County
BUDGET REVENUE AND EXPENDITURE COMPARISON**

	2006 Actual	2007 Actual	2008 Budget Estimate	2009 PROPOSED BUDGET	% Change from 2008
GENERAL FUND					
Revenues					
Net Property Tax Revenues	83,726,360	83,797,224	86,288,625	54,593,668	-36.73%
License Excise & FIT & MH	9,291,327	9,372,196	9,600,000	9,600,000	0.00%
LOIT	-	-	3,500,000	6,700,000	91.43%
HCI Property Tax Replacement	-	-	-	40,000,000	0.00%
Net Tax Revenues	93,017,687	93,169,420	99,388,625	110,893,668	11.58%
Intergovernmental Revenue	105,924,177	97,308,096	131,045,367	138,600,000	5.76%
Grant Revenue	15,485,089	14,680,733	16,200,000	16,528,000	2.02%
Misc. Non-Tax Revenue	38,039,895	35,397,210	16,250,000	14,600,000	-10.15%
Interest Income	4,591,943	5,058,935	3,582,929	3,800,000	6.06%
Total Revenues	257,058,791	245,614,394	266,466,921	284,421,668	6.74%
Expenditures					
Personal Services	39,997,704	41,890,622	45,000,000	46,350,000	3.00%
Supplies	3,772,128	3,959,470	4,027,000	4,147,000	2.98%
Other Charges & Svcs	181,429,502	177,498,356	208,803,345	225,415,000	7.96%
Capital Outlays	2,600,354	1,970,105	6,326,000	6,326,000	0.00%
Total Expenses	227,799,688	225,318,553	264,156,345	282,238,000	6.85%
Net Change in Fund Balance	29,259,103	20,295,841	2,310,576	2,183,668	
DEBT SERVICE FUND					
Revenues					
Tax Revenues	4,690,020	4,384,960	4,100,942	4,606,416	12.33%
Misc. Non-Tax Revenue	-	-	-	-	-
Interest Income	2,037	17,847	4,000	1,000	-75.00%
Total Revenues	4,692,057	4,402,807	4,104,942	4,607,416	12.24%
Expenditures					
Other Charges & Svcs	4,312,818	4,360,675	4,318,935	4,356,980	0.88%
Net Change in Fund Balance	379,240	42,132	(213,993)	250,436	
CUMULATIVE BUILDING FUND					
Revenues					
Tax Revenues	258,166	241,123	280,502	225,268	-19.69%
Misc. Non-Tax Revenue	-	-	40,000,000	-	-
Interest Income	1,866,276	2,010,769	350,000	1,800,000	414.29%
Total Revenues	2,124,442	2,251,892	40,630,502	2,025,268	-95.02%
Expenditures					
Capital Outlays	-	-	-	-	-
Net Change in Fund Balance	2,124,442	2,251,892	40,630,502	2,025,268	

**The Health and Hospital Corporation of Marion County
BUDGET REVENUE AND EXPENDITURE COMPARISON**

	2006 Actual	2007 Actual	2008 Budget Estimate	2009 PROPOSED BUDGET	% Change from 2008
ENTERPRISE FUND					
Wishard Health Services					
Revenues					
Net Pt Svc Revenue	205,859,489	216,501,000	219,581,000	230,559,000	5.00%
HHC Support Revenue	157,619,375	157,000,000	168,000,000	180,000,000	7.14%
Grant Revenue	-	-	10,068,000	12,000,000	19.19%
Non-Patient Revenue	27,631,184	32,932,000	44,464,000	38,962,000	-12.37%
Total Revenues	391,110,048	406,433,000	442,113,000	461,521,000	4.39%
Expenses					
Personal Services	192,445,086	217,653,000	225,009,000	235,134,000	4.50%
Supplies	73,670,656	73,950,000	77,818,000	79,763,000	2.50%
Other Charges & Svcs	113,919,698	108,023,000	114,286,000	121,624,000	6.42%
Depreciation	18,541,398	6,139,000	25,000,000	25,000,000	0.00%
Total Expenses	398,576,838	405,765,000	442,113,000	461,521,000	4.39%
Net Income(Loss)	(7,466,790)	668,000	-	-	

LT Care Division

Revenues					
Net Pt Svc Revenue	166,289,173	211,733,508	233,752,000	245,000,000	4.81%
HHC Support Revenue	1,000,000	-	-	-	0.00%
Non-Patient Revenue	1,491,690	1,182,903	1,400,000	1,100,000	-21.43%
Intergovernmental Revenue	-	-	38,400,000	48,000,000	25.00%
Total Revenues	168,780,863	212,916,411	273,552,000	294,100,000	7.51%
Expenses					
Personal Services	93,795,322	93,862,143	97,515,000	94,500,000	-3.09%
Supplies	17,513,092	17,983,267	35,802,000	17,000,000	-52.52%
Other Charges & Svcs	46,360,907	77,750,420	73,645,000	97,390,000	32.24%
Depreciation	14,122,951	29,019,259	26,500,000	32,450,000	22.45%
Transfer to General Fund	-	-	40,000,000	52,000,000	30.00%
Total Expenses	171,792,272	218,615,089	273,462,000	293,340,000	7.27%
Net Income(Loss)	(3,011,409)	(5,698,678)	90,000	760,000	

THE HEALTH AND HOSPITAL CORPORATION OF MARION COUNTY, INDIANA
ESTIMATE OF MISCELLANEOUS REVENUE
 FROM SOURCES OTHER THAN GENERAL PROPERTY TAXES

GENERAL FUND

	2008	2009
	<u>JUL-DEC</u>	
<u>Special Taxes</u>		
001 Financial Institutions Tax	1,200,000	1,200,000
002 Vehicle License Excise Tax	7,200,000	7,200,000
003 Local Income Tax	1,860,710	-
<u>All Other Revenues</u>		
Intergovernmental Receipts	24,028,000	138,600,000
Other Taxes - Mental Health	1,200,000	1,200,000
County Health Department	3,030,307	7,000,000
Admin Miscellaneous	4,405,000	7,600,000
Grant Receipts	8,778,738	16,528,000
Interest Income	1,900,000	3,800,000
GENERAL FUND		
TOTAL MISCELLANEOUS REVENUES	<u>53,602,755</u>	<u>183,128,000</u>

BOND RETIREMENT FUND

	2008	2009
	<u>JUL-DEC</u>	
<u>Special Taxes</u>		
001 Financial Institutions Tax	60,000	60,000
002 Vehicle License Excise Tax	325,000	325,000
<u>All Other Revenues</u>		
Interest Income	500	1,000
TOTAL BOND FUND MISC REVENUES	<u>385,500</u>	<u>386,000</u>

CUMULATIVE BUILDING FUND

	2008	2009
	<u>JUL-DEC</u>	
<u>Special Taxes</u>		
001 Financial Institutions Tax	3,300	3,300
002 Vehicle License Excise Tax	20,600	20,600
<u>All Other Revenues</u>		
Misc Non-Tax Revenues	40,000,000	-
Interest Income	350,000	1,800,000
TOTAL CUMULATIVE BLDG FUND		
MISCELLANEOUS REVENUES	<u>40,373,900</u>	<u>1,823,900</u>

BUDGET ESTIMATE OF FUNDS TO BE RAISED AND PROPOSED TAX RATES
THE HEALTH AND HOSPITAL CORPORATION OF MARION COUNTY, INDIANA

GENERAL FUND

2009 - BUDGET YEAR

NET ASSESSED VALUATION = 33,561,295,936

FUNDS REQUIRED FOR EXPENSES TO DECEMBER 31st
OF INCOMING YEAR:

line		
1	Total budget for Incoming year	282,238,000
2	Necessary Expenditures, July 1 to Dec 31 of present year (To Be Made From Approp. Unexpended)	152,587,959
3	Additional approp necessary to be made July 1 -- Dec 31 of present year	-
4	Outstanding temporary loans to be paid not included in lines 2 and 3 above	-
5	Total funds required (add lines 1-4)	<u>434,825,959</u>

FUNDS ON HAND AND TO BE RECEIVED FROM SOURCES
OTHER THAN PROPOSED TAX LEVY

6	Actual balance, June 30 of present year	178,713,141
7	Taxes to be collected, present year (Dec.)	85,158,779
8	Miscellaneous revenue to be received July 1 of present year to Dec. 31 of incoming year:	
	a. total July 1 to Dec. 31 of present year	53,602,755
	b. total Jan. 1 to Dec. 31 of incoming year	<u>183,128,000</u>
9	Total Funds (add lines 6, 7, 8a, 8b)	500,602,675
10	Net amount to be raised for expenses to Dec. 31 of incoming year (deduct line 9 from line 5)	(65,776,716)
11	Operating balance (not in excess of expense Jan 1 to June 30, less misc. revenue for same period.)	169,770,384
12	Amount to be raised by tax levy (add lines 10 and 11)	103,993,668
13	Property Tax Replacement Credit from Local Option Tax	-
14	NET AMOUNT TO BE RAISED BY TAX LEVY (deduct line 13 from line 12)	103,993,668
15	Levy Excess Fund Applied to Current Budget	<u>-</u>
16	NET AMOUNT TO BE RAISED	103,993,668
17	TAX RATE	0.4000

BUDGET ESTIMATE OF FUNDS TO BE RAISED AND PROPOSED TAX RATES
THE HEALTH AND HOSPITAL CORPORATION OF MARION COUNTY, INDIANA

BOND RETIREMENT FUND

2009 - BUDGET YEAR

NET ASSESSED VALUATION = 33,561,295,936

FUNDS REQUIRED FOR EXPENSES TO DECEMBER 31st
OF INCOMING YEAR:

line		
1	Total budget for incoming year	4,356,980
2	Necessary Expenditures, July 1 to Dec 31 of present year (To Be Made From Approp. Unexpended)	4,351,611
3	Additional approp necessary to be made July 1 -- Dec 31 of present year	32,675
4	Outstanding temporary loans to be paid not included in lines 2 and 3 above	-
5	Total funds required (add lines 1-4)	<u>8,741,266</u>

FUNDS ON HAND AND TO BE RECEIVED FROM SOURCES
OTHER THAN PROPOSED TAX LEVY

6	Actual balance, June 30 of present year	32,408
7	Taxes to be collected, present year (Dec.)	3,715,942
8	Miscellaneous revenue to be received July 1 of present year to Dec. 31 of incoming year:	
	a. total July 1 to Dec. 31 of present year	385,500
	b. total Jan. 1 to Dec. 31 of incoming year	<u>386,000</u>
9	Total Funds (add lines 6, 7, 8a, 8b)	4,519,850
10	Net amount to be raised for expenses to Dec. 31 of incoming year (deduct line 9 from line 5)	4,221,416
11	Operating balance (not in excess of expense Jan 1 to June 30, less misc. revenue for same period.)	0
12	Amount to be raised by tax levy (add lines 10 and 11)	4,221,416
13	Property Tax Replacement Credit from Local Option Tax	-
14	NET AMOUNT TO BE RAISED BY TAX LEVY (deduct line 13 from line 12)	4,221,416
15	Levy Excess Fund Applied to Current Budget	<u>-</u>
16	NET AMOUNT TO BE RAISED	4,221,416
17	TAX RATE	0.0126

BUDGET ESTIMATE OF FUNDS TO BE RAISED AND PROPOSED TAX RATES
THE HEALTH AND HOSPITAL CORPORATION OF MARION COUNTY, INDIANA

CUMULATIVE BUILDING FUND

2009 - BUDGET YEAR

NET ASSESSED VALUATION = 33,561,295,936

FUNDS REQUIRED FOR EXPENSES TO DECEMBER 31st
OF INCOMING YEAR:

line		
1	Total budget for incoming year	-
2	Necessary Expenditures, July 1 to Dec 31 of present year (To Be Made From Approp. Unexpended)	-
3	Additional approp necessary to be made July 1 -- Dec 31 of present year	-
4	Outstanding temporary loans to be paid not included in lines 2 and 3 above	-
5	Total funds required (add lines 1-4)	-

FUNDS ON HAND AND TO BE RECEIVED FROM SOURCES
OTHER THAN PROPOSED TAX LEVY

6	Actual balance, June 30 of present year	43,533,898
7	Taxes to be collected, present year (Dec.)	256,602
8	Miscellaneous revenue to be received July 1 of present year to Dec. 31 of incoming year:	
	a. total July 1 to Dec. 31 of present year	40,373,900
	b. total Jan. 1 to Dec. 31 of incoming year	1,823,900
9	Total Funds (add lines 6, 7, 8a, 8b)	85,988,300
10	Net amount to be raised for expenses to Dec. 31 of incoming year (deduct line 9 from line 5)	(85,988,300)
11	Operating balance (not in excess of expense Jan 1 to June 30, less misc. revenue for same period.)	86,189,668
12	Amount to be raised by tax levy (add lines 10 and 11)	201,368
13	Property Tax Replacement Credit from Local Option Tax	-
14	NET AMOUNT TO BE RAISED BY TAX LEVY (deduct line 13 from line 12)	201,368
15	Levy Excess Fund Applied to Current Budget	-
16	NET AMOUNT TO BE RAISED	201,368
17	TAX RATE	0.0006